

	
<b>Policy Title:</b>	<b>Executive Compensation Recovery Policy</b>
<b>Last Revised:</b>	October 2023
<b>Policy Owner:</b>	Board of Directors
<b>Scope:</b>	Applies to Chipotle’s Section 16 Executive Officers

## Purpose

The NYSE requires listed companies to implement policies for recovery (*i.e.*, “clawback”) of erroneously awarded incentive compensation, implementing Section 10D of the Securities Exchange Act, which was added by Section 954 of the Dodd-Frank Act. This Policy implements the listing standards required by the NYSE for clawback of erroneously awarded incentive compensation and also sets forth other circumstances under which the Company may recoup incentive compensation paid to its Executive Officers.

## Scope

This policy applies to all current and former Executive Officers of Chipotle Mexican Grill, Inc. (the “Company”). For purposes of this Policy, “Executive Officers” are those employees who are designated by the Board of Directors of the Company (the “Board”) as “officers” for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder.

## Statement of Policy

This Policy has two distinct sections – Section 1 requires clawback due to certain accounting restatements, and Section 2 permits clawback due to certain egregious conduct.

### 1. Clawback Due to Accounting Restatement

This section of the Policy is intended to implement Section 303.A.14 of the NYSE Listed Company Manual and Rule 10D-1 of the Securities Exchange Act, and in the event of any conflict or ambiguity, the definitions and requirements of Section 303.A.14 and Rule 10D-1 shall govern. To the extent this Section 1 applies to compensation payable to a person covered by this Section 1, it shall be the only clawback policy applicable to such compensation and no other clawback provisions shall apply; provided that, if any other clawback policy, including Section 2 of this Policy, provides that a greater amount of such compensation shall be subject to clawback, such other policy shall apply to the amount in excess of the amount subject to clawback under this Section 1.

*Clawback Requirement.* The Company will recover from its Executive Officers, reasonably promptly, the amount of erroneously awarded incentive-based compensation if the Company is required to prepare an accounting restatement due to the Company’s material noncompliance with any financial reporting requirement under the U.S. securities laws, including an accounting restatement that corrects an error that is not material to previously issued financial statements, but that would result in a material misstatement if (a) the error was

left uncorrected in the current report, or (b) the error correction was recognized in the current period (commonly referred to as “little r” restatements).

For clarity, recovery would not be triggered by an “out-of-period adjustment” – a situation where the error is immaterial to the previously issued financial statements and the correction of the error is also immaterial to the current period – or by changes to prior period financial statements that do not arise due to error corrections, such as retrospective revisions to financial statements due to changes in accounting principles or segments.

The Company is prohibited from indemnifying any current or former Executive Officer against the loss of erroneously awarded compensation.

For purposes of this Policy, the following definitions apply:

- “erroneously awarded compensation” is incentive-based compensation received by an Executive Officer that exceeds the amount of incentive-based compensation that the Executive Officer otherwise would have received had such compensation been determined based on the restated amounts, computed without regard to any taxes paid (e.g., on a gross basis, not after-tax). For incentive-based compensation based on stock price or total shareholder return, where the amount of erroneously awarded compensation is not subject to mathematical recalculation directly from the information in an accounting restatement:
  - the amount shall be based on a reasonable estimate of the effect of the accounting restatement on the stock price or total shareholder return upon which the incentive-based compensation was received; and
  - the Company shall maintain documentation of the determination of that reasonable estimate and provide such documentation to the NYSE.
- “incentive-based compensation” is any compensation that is granted, earned or vested based wholly or in part upon the attainment of a financial reporting measure. Incentive-based compensation is deemed “received” in the Company’s fiscal period during which the financial reporting measure specified in the compensation award is attained, even if the payment or grant of the compensation occurs after the end of that period. This Policy applies to all incentive-based compensation received by a person:
  - after they became an Executive Officer;
  - who served as an Executive Officer at any time during the performance period for that incentive-based compensation;
  - while the company has a listed class of securities;
  - during the three completed fiscal years immediately preceding the date that the Company is required to prepare an accounting restatement; and
  - is received on or after October 2, 2023.

For example, if the restatement is required in 2027, then the clawback would apply to incentive-based compensation received in 2024, 2025 and 2026.

- “financial reporting measures” are measures that are determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and any measure that is derived wholly or in part from such measures. Financial reporting measures also include stock price and total shareholder return.

*Exceptions to Clawback Requirement.* The Company shall recover erroneously awarded compensation in compliance with this Policy except to the extent that one of the three conditions set forth below have been met, and the Board has decided that recovery would be impracticable:

- the direct expense paid to a third party to assist in enforcing the policy would exceed the amount to be recovered; however, before reaching this conclusion, the Company must make a reasonable attempt to recover such erroneously awarded compensation, document such reasonable attempt to recover, and provide that documentation to the NYSE;
- recovery would violate home country law where that law was adopted prior to November 28, 2022; however, before reaching this conclusion, the Company must obtain an opinion of home country counsel, acceptable to the NYSE, that recovery would result in such a violation, and must provide such opinion to the NYSE; or
- recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the registrant, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

## **2. Forfeiture Due to Egregious Conduct**

The Board may require an Executive Officer to forfeit any unpaid, unearned or unexercised Covered Compensation if the Board determines, in its sole discretion, that the Executive Officer has engaged in egregious conduct that is substantially detrimental to the Company (financially, reputationally, or otherwise), even if such conduct does not result in termination of the Executive Officer’s employment.

- “Covered Compensation” means cash and/or equity-based compensation that was paid, earned, vested or granted to any Executive Officer, excluding severance benefits awarded under a Change in Control agreement.
- “Egregious conduct substantially detrimental to the Company” means any one of the following:
  - any act or omission that would constitute “Cause” under the terms of the Chipotle Mexican Grill, Inc. 2022 Stock Incentive Plan (or any award agreement issued thereunder, if the term is separately defined) or other applicable agreement or plan of the Company;
  - the material breach of a written policy applicable to the Executive Officer, including, but not limited to, the Code of Ethics;
  - egregious misconduct by the Executive Officer including, but not limited to, fraud, criminal activities, falsification of Company records, theft, violent acts or

threats of violence, or a violation of law, unethical conduct or inappropriate behavior that causes substantial reputational harm to the Company or exposes the Company to substantial legal liability; or

- the commission of an act or omission that causes the Executive Officer or the Company to be in violation of federal or state securities laws, rules or regulations.

To the extent legally permitted, the Board may seek recovery of Covered Compensation in any manner it chooses, including by seeking cash payment from the Executive Officer, withholding unpaid compensation, set-off (from unpaid compensation, against planned future grants or otherwise), or rescinding or canceling unvested or vested but unexercised equity awards.

The Board may consider the costs and benefits of seeking recoupment and, based on that consideration, exercise discretion in the application and operation of this Section 2.

### **Administrative Provisions**

All determinations of the Board pursuant to this policy shall be final and binding.

Upon a Change in Control (as defined in the Stock Plan), this Policy will be of no further force or effect unless, prior to such Change in Control, the Board expressly authorizes the continuation of this Policy or, with respect to Section 1, unless required by Section 303.A.14 of the NYSE Listed Company Manual and Rule 10D-1 of the Securities Exchange Act.

Compensation awarded or paid based on miscalculation of a performance measure also may be subject to the clawback requirements of any other law or regulation that the Board determines, in its discretion, is applicable.

The Board, based upon the recommendation of the CPCC, may amend this Policy at any time for any reason, including as required to comply with the rules of the Securities and Exchange Commission and the New York Stock Exchange. The exercise by the Board of any rights pursuant to this Policy shall be without prejudice to any other rights that the Company or the Board may have with respect to any Executive Officer subject to this Policy.

Effective Date: October 2, 2023